

M/035/019

From: Wayne Hedberg
To: Minerals
Date: 12/16/03 9:19AM
Subject: Meeting Documentation - Staker/Parsons, Salt Lake City (Beck Street Pit - M035019)

On 12/11/03, (1:00 - 2:00 pm) Doug Jensen and I met at the Salt Lake City/County Building with representatives from Staker & Parsons Co (Randy Anderson, Mike Dalley, Stewart Ernst and Marty White) and Salt Lake City Corporation (Lynn Pace & Doug Wheelwright). The purpose of this meeting was to discuss how best to deal with the differences between the existing 1996 Development Agreement (between Staker & SLC Corp) and the latest large mine permit application prepared by JBR Consultants for this site.

Staker/Parsons employees met with the city personnel a week or so ago to discuss the current documents (including the unsigned September 1998 - Framework and Foothill Development plan (by Dames & Moore) to determine the best way to move forward with the mine permitting process with OGM and the city. Both parties believed that a revised Development Agreement would probably be necessary.

Mr. Pace led most of the discussion at the 12/11 meeting and we outlined the following possible options to move forward:

1 Staker/Parsons & SL City Corp would jointly pursue a new or revised Development Agreement (contract) to replace the current December 1996 Development Agreement. Mr Pace stated that a new or revised Development Agreement would need to be based upon the proposed mining and post-mine development details as outlined in the unsigned September 1998 Development plan. He said anything substantially different from that conceptual plan could not be signed off on without going back before the City Council and Mayor for their review and concurrence.

Therefore, if the latest JBR permit application differs significantly from the 1998 Framework Development plan, the city could not readily sign off on it as an addendum to a new & updated Development Agreement.

2. Enter into a 3-party contract (including OGM) that would be based upon the approval of the latest (2003) JBR large mine permit application. The city would be added as a secondary beneficiary and co-signator to our standard reclamation contract form (Form MR-RC) for this site upon final acceptance and approval of the permit application.

After some deliberation, we decided to pursue the second option because it would ultimately have both agencies reviewing and accepting the same plan. I said I wasn't sure if we could modify our standard Reclamation Contract agreement to add the city, but would discuss it with upper management and get back to them.

We mutually agreed to complete a detailed review of JBR's 4/2003 proposal, prepare any technical concerns and forward them to each other by the end of January 2004. After all parties have had a reasonable opportunity to review the comments, we will then schedule a meeting to sit down and discuss resolution of our respective concerns.

Some revised maps have been prepared by the operator based upon a previous Division request. Mr. Dalley will arrange to have copies dropped off to our office in a day or two for review with the JBR plan.

CC: Mary Ann Wright, Susan White